



CITY OF CORONADO

CITY COUNCIL STAFF REPORT

June 4, 2024

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CONSIDER APPROVAL OF THE CONTRACT WITH ADVANCED IMAGING SOLUTIONS, INC. IN THE AMOUNT NOT TO EXCEED \$350,000 FOR ACQUISITION OF NEW AND REPLACEMENT COPIERS AND PRINTERS AND CORRESPONDING REPAIR AND SUPPORT SERVICES AND TO AUTHORIZE THE CITY MANAGER TO EXECUTE THE AGREEMENT

RECOMMENDATION:

Authorize the City Manager to award a contract to Advanced Imaging Strategies, Inc. (AIS) for acquisition of new and replacement copiers and printers, delivery of supplies, and to provide repair and support services for a contract term of three (3) years with options to renew for two (2) additional one (1) year terms; provide authority to the City Manager to exercise renewal options for years four and five of the agreement; and approve a contract sum of up to \$350,000 for the full five (5) years agreement term.

BACKGROUND:

The City maintains an inventory of over (100) desktop printers, workgroup printers, workgroup multifunction devices ("copiers"), and large copiers, all with various ages and print/copy counts (with a few nearing or over a million pages). In 2012, the City issued a Request for Proposals (RFP) solicitation for copier services, and selected Kyocera devices as the standard equipment for all departments and Kyocera Document Solutions as the provider.

Kyocera printers and copiers, in both the desktop and larger multifunction categories, provide consistent print and copy quality (including color palette) and high uptimes (time without significant jams or other service issues). Additionally, support is simplified with standardization, since there is one vendor to call, there are fewer unique devices, and the same toners are in use in multiple devices. In late 2017, AIS was selected in a bid process for the acquisition of new Kyocera copiers. As an extension of that agreement, in early 2018, AIS was selected as the primary provider for acquisition of new and replacement copiers and printers, delivery of supplies, and provider of repair and support services.

ANALYSIS:

In accordance with Coronado Municipal Code 8.04.060, a formal RFP was issued to solicit the latest pricing and support options from Kyocera partners, for copier and printer services on April 2, 2024. As of closing of the RFP, staff received a single proposal, from AIS. City staff proceeded to negotiate a contract with AIS. In their proposal, AIS provided pricing for replacement (comparable) models for existing devices in inventory and pricing for black and color prints and copies. It is typical for companies like AIS to charge per printed and copied page and provide toner, repair, and support services under those per-page rates.

IT staff projects annual printer and copier usage and costs for replacement and new desktop and workgroup devices to be \$40,000 per fiscal year. Additionally, over the three to five-year term of the proposed agreement, the City will likely need to replace all of the (10) large copiers, with the replacement cost at nearly \$15,000 for each of those devices.

In summary, staff expects the full costs of the contract to be \$270,000 for the first three (3) years and up to \$350,000 for the full five (5) year term, inclusive of optional renewal years. Staff has reviewed the pricing proposed and found it to be fair and reasonable based upon similar recent procurements and market pricing for like products and services. Staff recommends City Council award the contract to AIS for a base contract term of three years, with the option of two, one-year extensions.

FISCAL IMPACT:

Staff anticipates expending approximately \$270,000 in the first three years and a total of \$350,000 for the full five (5) years of the agreement. New and replacement copiers and printers will be charged to the IT Equipment Replacement Fund (13710000). Monthly service costs will be charged to department Office Equipment budget accounts (80131). All necessary funds have been budgeted as part of the Fiscal Year 2024-2025 budget process.

ALTERNATIVE:

The City Council could choose not to award the contract or provide alternative direction.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

Not Applicable.

PUBLIC NOTICE:

No notice required.

ATTACHMENTS:

1. City Request for Proposals and AIS Proposal
2. AIS Pricing Summary
3. Proposed Agreement between City and AIS

Submitted By: Administrative Services Department / Brian Lewton